Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 05-1644

Released: June 9, 2005

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF ANEW TELECOMMUNICATIONS CORPORATION TO UTILITY TELEPHONE, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-205

Comments Due: June 23, 2005

Reply Comments Due: June 30, 2005

On May 23, 2005, Utility Telephone, Inc. ("Utility") and Anew Telecommunications Corporation, Inc. ("Anew")(collectively the "Applicants"), pursuant to sections 63.03 and 63.04 of the Commission's rules, ¹ filed an application requesting authority to transfer control of Anew to Utility.

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) of the Commission's rules because immediately following the transactions: (1) Applicants and their affiliates (as defined in Section 3(1) of the Communications Act – "Affiliates") combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) to the extent that the Applicants or their Affiliates provide U.S. local exchange services or exchange access services, those services will be provided only in geographic areas served by a dominant local exchange carrier that is not a party to the proposed transaction and; (3) none of the Applicants nor their Affiliates is dominant with respect to any U.S. domestic telecommunications service.²

Utility is a corporation formed under the laws of the state of California that provides interexchange and local exchange services to small and medium size business customers. In addition, Utility provides competitive access and other wholesale telecommunications services to other service providers. The following entities own 10% or more of Utility: 1) Jason R. Mills,

¹ 47 C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

² 47 C.F.R. § 63.03(b)(2)(i).

U.S. citizen, 55%; and 2) Integrated Telecom Solutions, Inc. ("ITS"), a U.S. corporation, 45%. Joe Suprenant and Steven Kim, both U.S. citizens, each own 50% of ITS.

Anew is a corporation formed under the laws of the state of California. Anew provides interexchange and local exchange services to small and medium size business customers in California. The following entities own 10% or more of Anew: 1) Jeffrey C. Buckingham Family Trust ("JCB Trust"), a U.S. entity, 85%; and 2) Russ and Cheryl Lovell Family Trust ("RCL Trust"), a U.S. entity, 15%. Jeffrey C. Buckingham and Joan Buckingham, both U.S. citizens, have an equal, undivided ownership interest of 85% in the JCB Trust. Russ Lovell and Cheryl Lovell, both U.S. citizens, have an equal, undivided ownership interest of 15% in the RCL Trust. After the proposed transaction, Utility will own 80% of Anew and the JCB Trust will own 15% of Anew.

On May 19, 2005, the Applicants entered into a stock purchase agreement ("the agreement") under which Utility has agreed to acquire 80% of the issued and outstanding shares of stock in Anew in exchange for cash. Under the terms of the agreement, Anew will continue providing service to its customers in accordance with its existing tariffs and contracts, thereby making the transaction transparent to Anew's current customers.

The Applicants assert that the proposed transfer of control is in the public interest because it will ensure the continuation of high quality, uninterrupted service to Anew's customers using Utility's network platform. The Applicants state that the proposed transfer is in the public interest because it will enable the Applicants to enjoy increased efficiencies and economies of scale, thereby enhancing their respective competitive and financial positions. According to the Applicants, customers will, as a result, receive lower prices, increased service options and enhance service capabilities.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file comments on or before June 23, 2005 and reply comments on or before June 30, 2005.3 Unless otherwise notified by the Commission, Applicants are permitted to transfer the stock and related control on the 31st day after the date of this notice.⁴ Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to

See 47 C.F.R. § 63.03(a).

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

http://www.fcc.gov/e-file/ecfs.html. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to ecfs@fcc.gov, and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, SW, Room CY-B402, Washington, DC 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; e-mail: <u>tracey.wilson-parker@fcc.gov</u>;
- (3) Kimberly Jackson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C142, Washington, D.C. 20554; e-mail: kimberly.jackson@fcc.gov
- (4) Renee R. Crittendon, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C311, Washington, D.C. 20554; e-mail: renee.crittendon@fcc.gov;
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson-Parker, at (202) 418-1394, or Kimberly Jackson at (202) 418-0064.

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